



Financial Management Overview



NONAPPROPRIATED NAF Instrument(FUND) Account Status



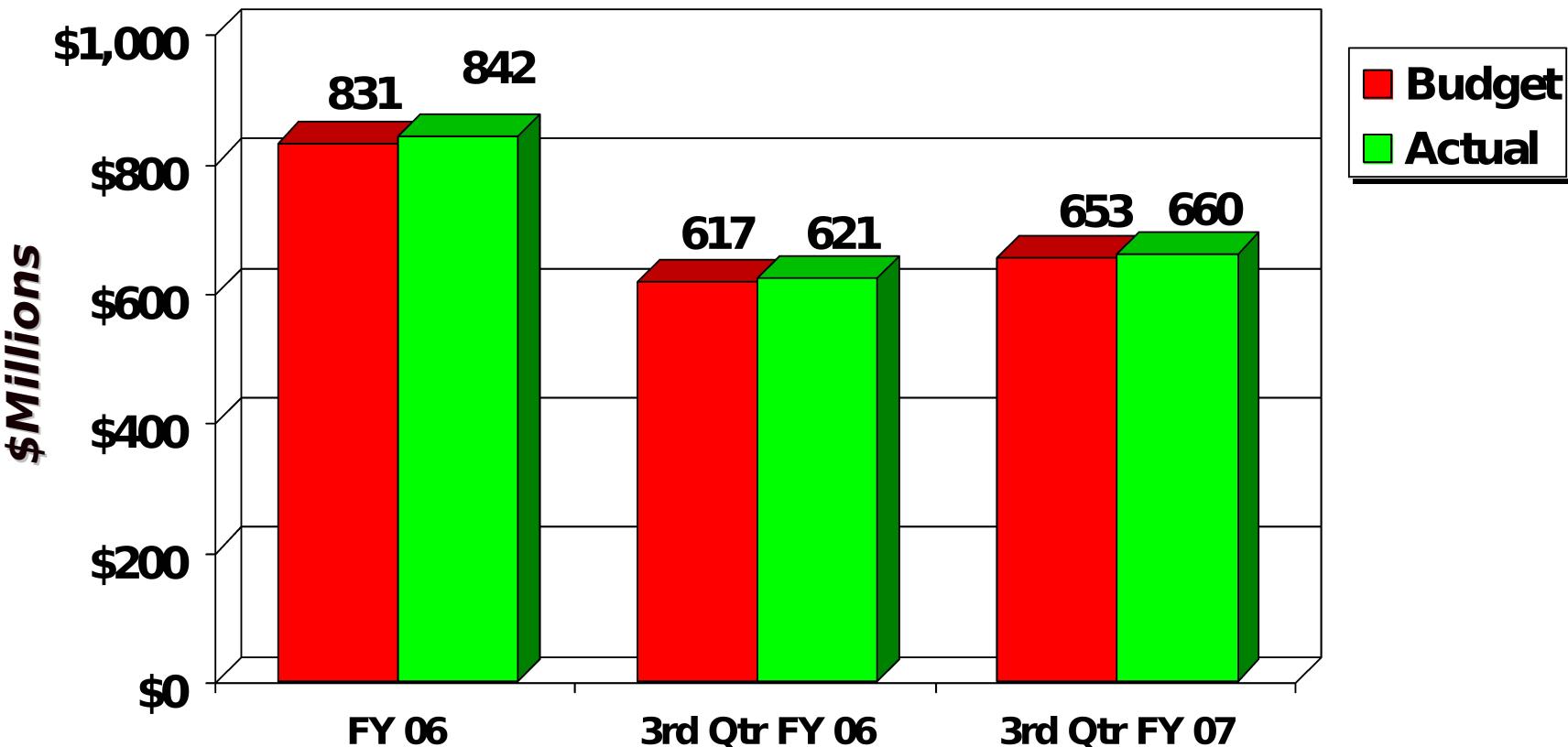
Financial Management Overview



Total MWR NAFIs

Worldwide Net Revenue*

FY06 / 3rd Qtr FY06 Budget vs Actual
3rd Qtr FY 07 Budget vs Actual

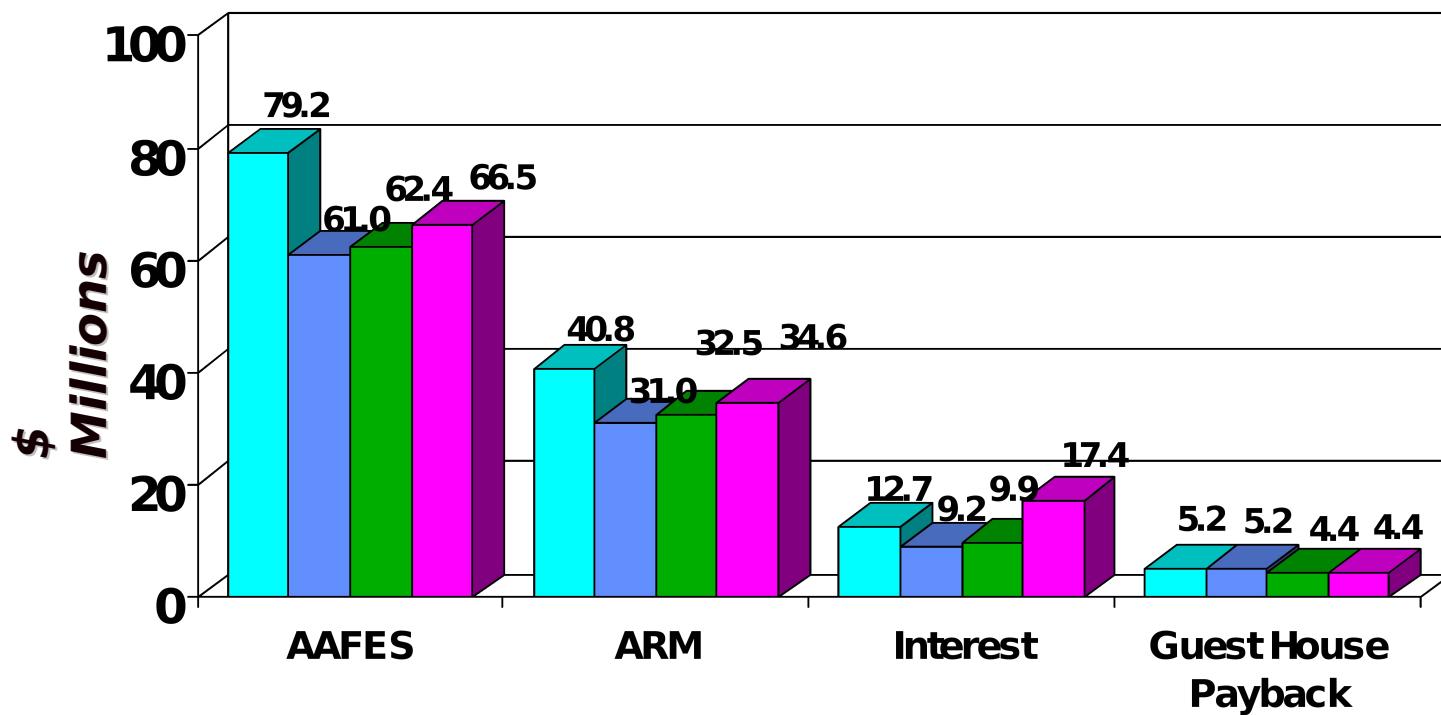


* Revenue adjusted for MWR UFM/USA Income



Total MWR NAFIs Non-Operating Revenue FY06 Actual / FY07 Budget vs Actual

■ FY06 Act ■ 3rd Qtr FY06 Act ■ 3rd Qtr FY07 Bud ■ 3rd Qtr FY07 Act

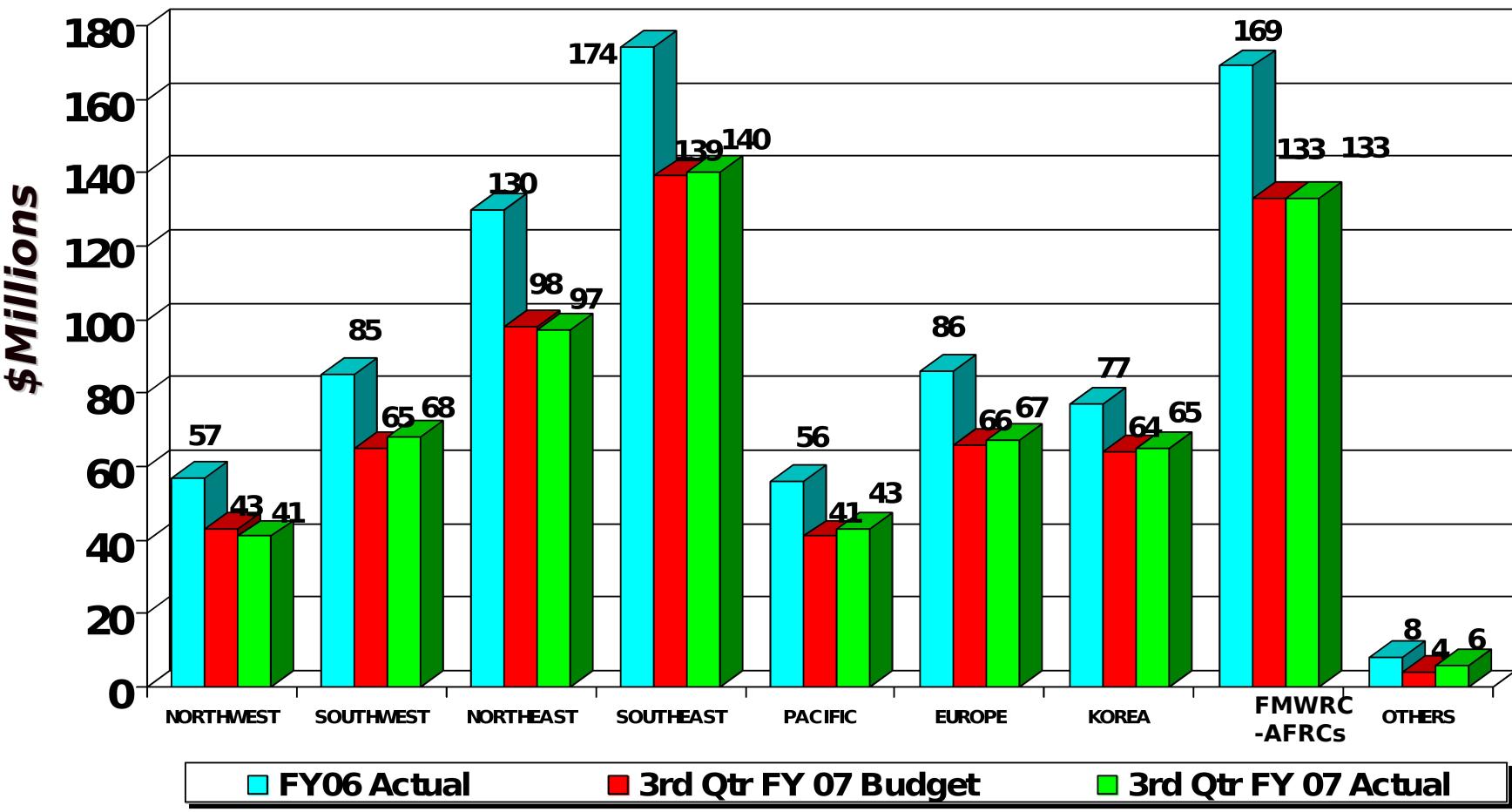




Financial Management Overview



Total MWR NAFIs Net Revenue* - by Region FY06 Actual / 3rd Qtr FY07 Budget vs Actual



* Revenue adjusted for MWR UFM/USA Income

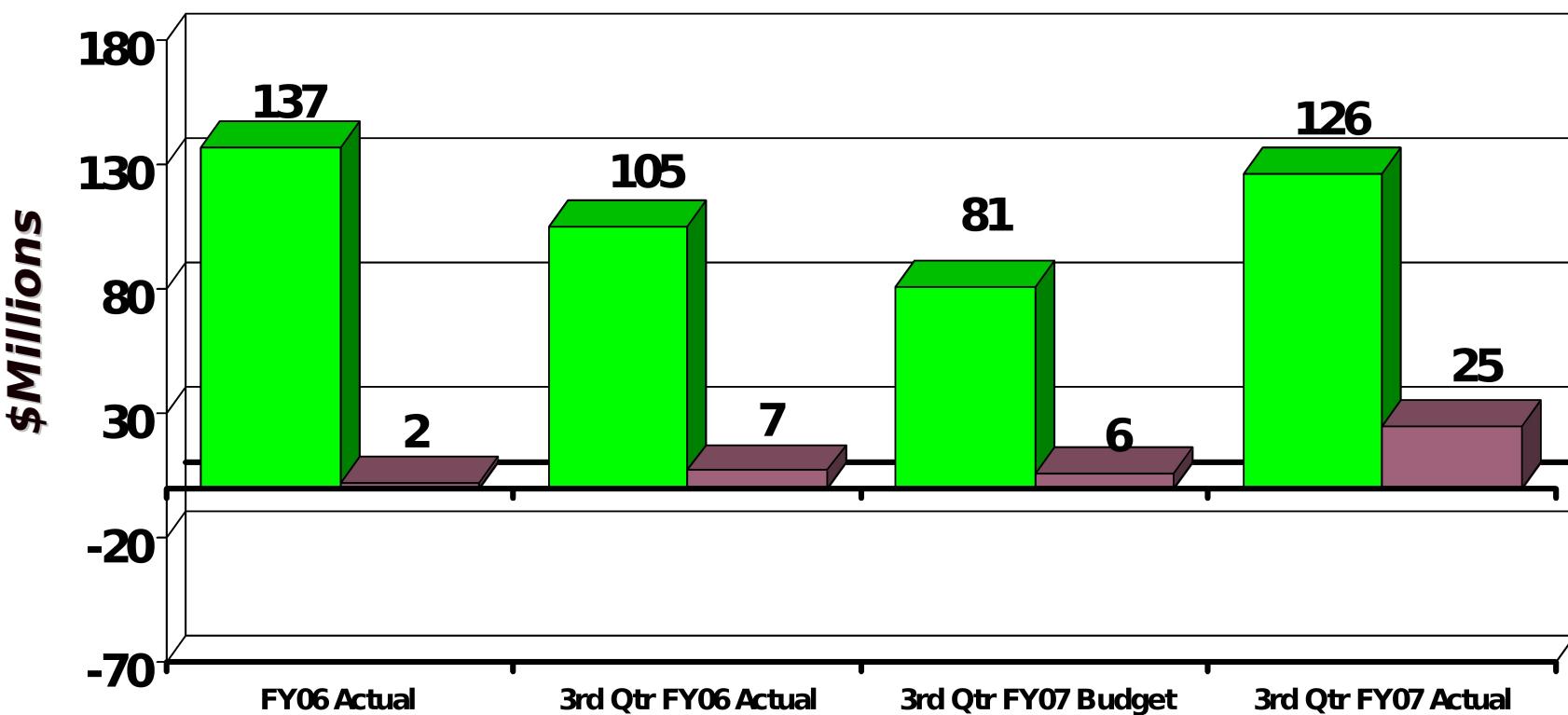


Total MWR NAFIs

Worldwide NIBD/Net Income

FY06 / 3rd Qtr FY06 Budget vs Actual
3rd Qtr FY 07 Budget vs Actual

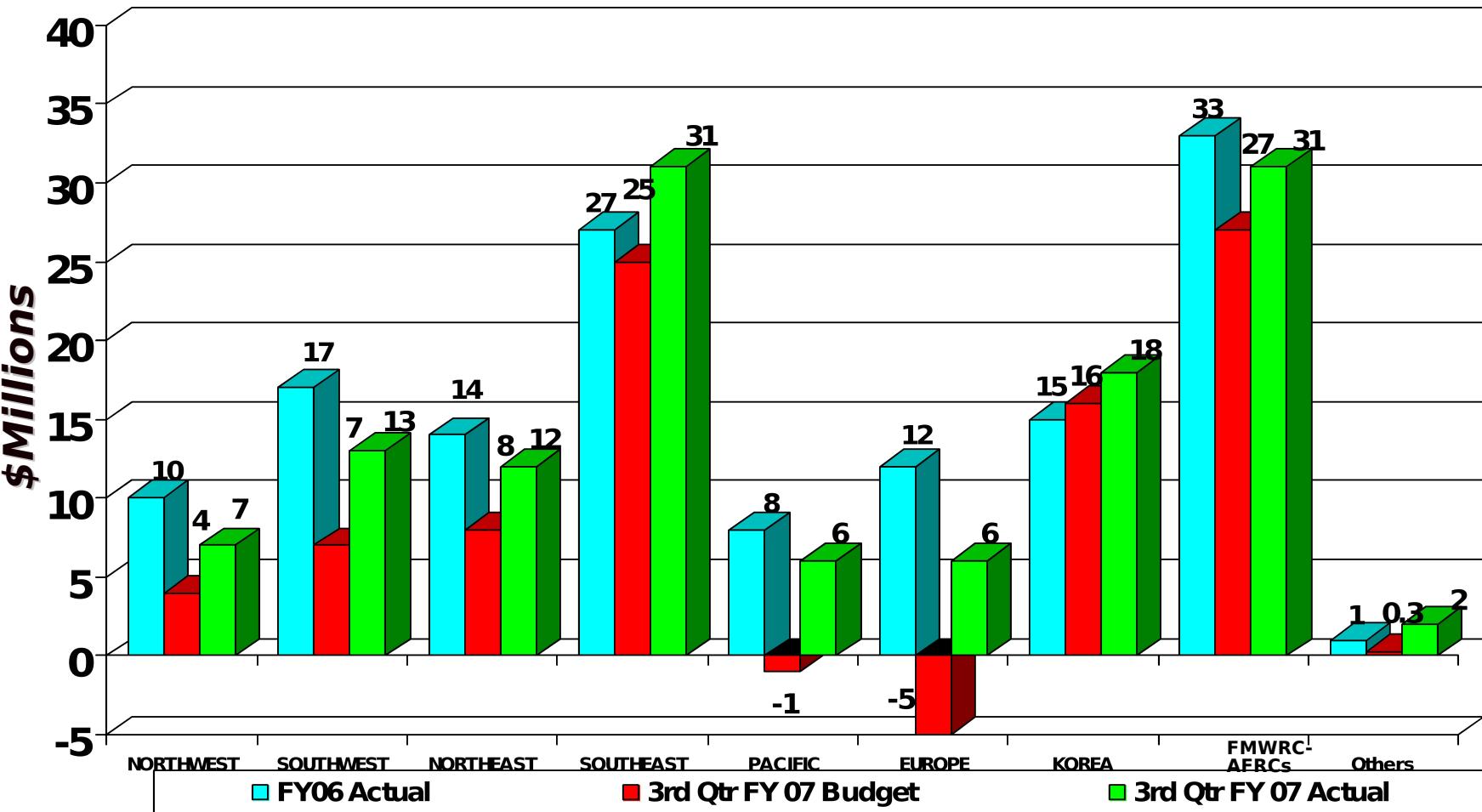
- Net Income Before Depreciation (NIBD)
- Net Income/(Loss)





Total MWR NAFIs NIBD by Region

FY06 Actual / 3rd Qtr FY07 Budget vs Actual





NIBD %, By Region, Versus Army Standard

	*FY 06	3rd Qtr *FY 06	3rd Qtr *FY 07
NORTHWEST	16.9	13.3	17.1
SOUTHWEST	19.3	18.2	18.8
NORTHEAST	10.5	11.2	12.5
SOUTHEAST	15.6	19.8	22.4
DLA	11.9	10.7	11.5
Pent Ath Ctr	19.0	20.2	17.9
OTHERS**	23.5	-0.4	88.0
TOTAL REGIONS W/O ARM DIST	15.0	16.1	18.6
PACIFIC	15.2	11.5	14.4
EUROPE	14.5	13.7	9.4
KOREA	19.1	23.2	27.2
FMMWRC-AFRCs	19.8	19.5	23.7
TOTAL REGIONS W/ ARM DIST	17.8	17.9	20.0
ARMY TOTAL	16.3	16.9	19.1
STANDARD NIBD %	8.0	8.0	8.0

* Percentage Based on MWR UFM/USA - Net Revenue

** Includes MACOM HQ and Single MWR Funds.



Financial Management Overview



NIAD %, By Region

		*3rd Qtr	*3rd Qtr
	*FY 06	FY 06	FY 07
NORTHWEST	0.3	-1.1	0.3
SOUTHWEST	5.7	4.5	6.4
NORTHEAST	-5.6	-2.7	-1.5
SOUTHEAST	5.5	14.4	20.7
DLA	1.3	-0.4	-14.0
Pent Ath Ctr	4.5	5.4	4.0
TOT REGIONS W/O ARM DIST	0.7	3.2	6.9
PACIFIC	-1.4	-5.9	-2.2
EUROPE	-4.0	-4.3	-12.1
KOREA	-0.9	3.9	9.8
FMWRC-AFRCs	4.9	5.6	10.6
TOT REGIONS W/ ARM DIST	0.9	1.4	3.7
ARMY TOTAL AS REVISED	0.8	1.8	4.1

* Percentage Based on MWR UFM/USA - Net Revenue



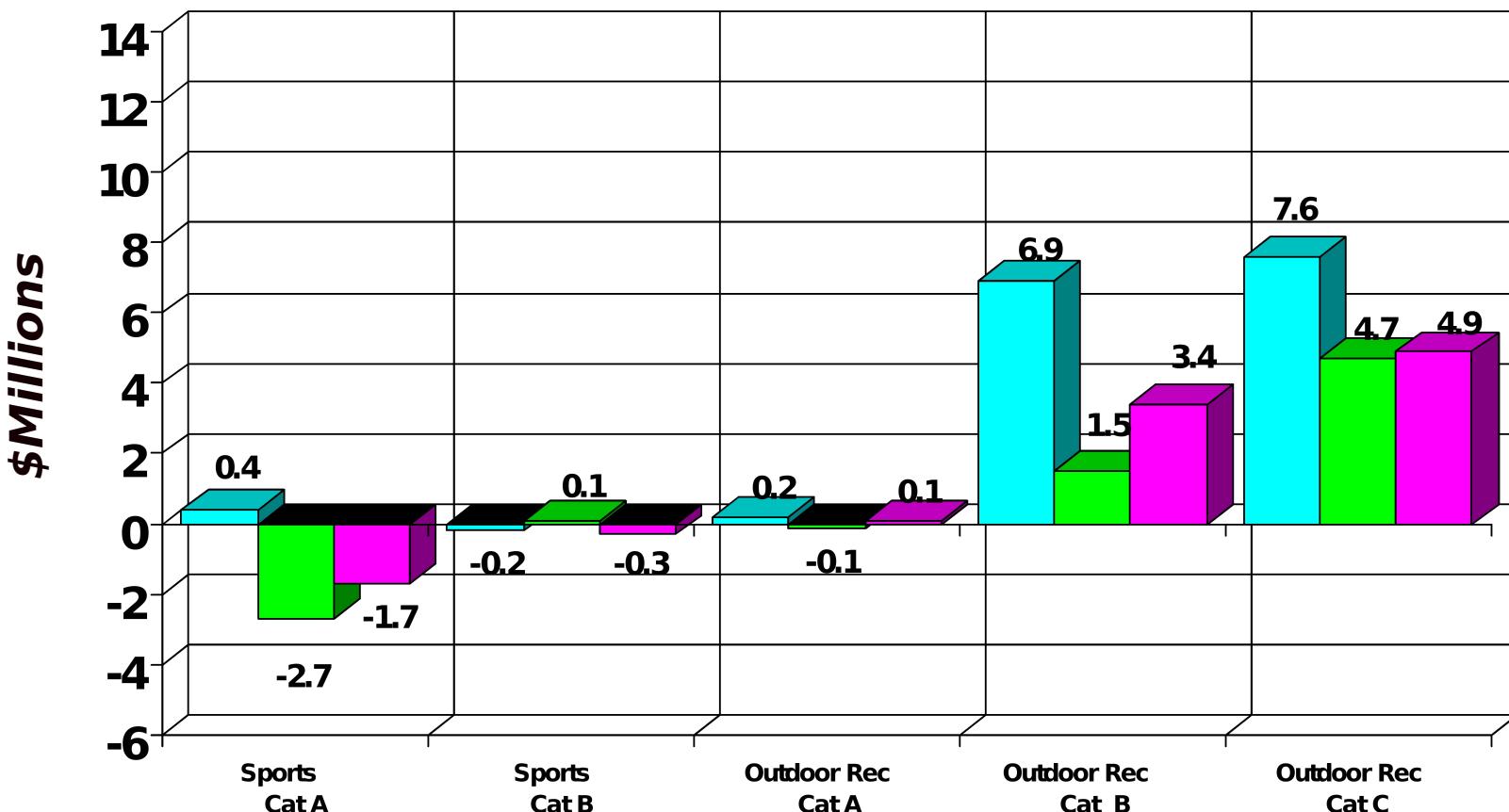
Financial Management Overview

Total MWR NAFIs

NIBD by Major Program (Chart 1)

FY06 Actual / 3rd Qtr FY07 Budget vs Actual

■ FY 06 Actual ■ 3rd Qtr FY 07 Budget ■ 3rd Qtr FY 07 Actual





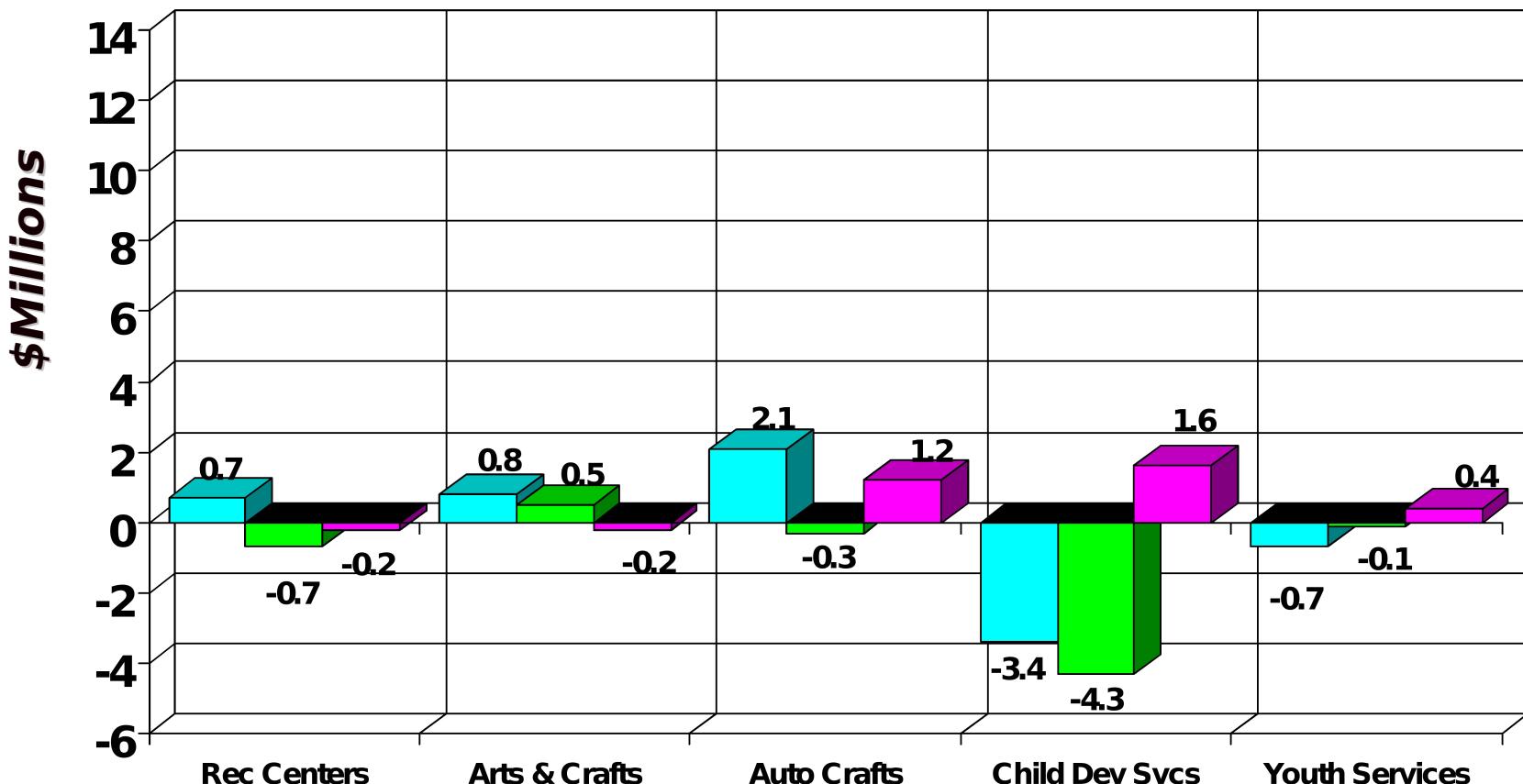
Financial Management Overview



Total MWR NAFIs

NIBD by Major Program (Chart 2)

FY06 Actual 3rd Qtr FY 07 Budget 3rd Qtr FY 07 Actual



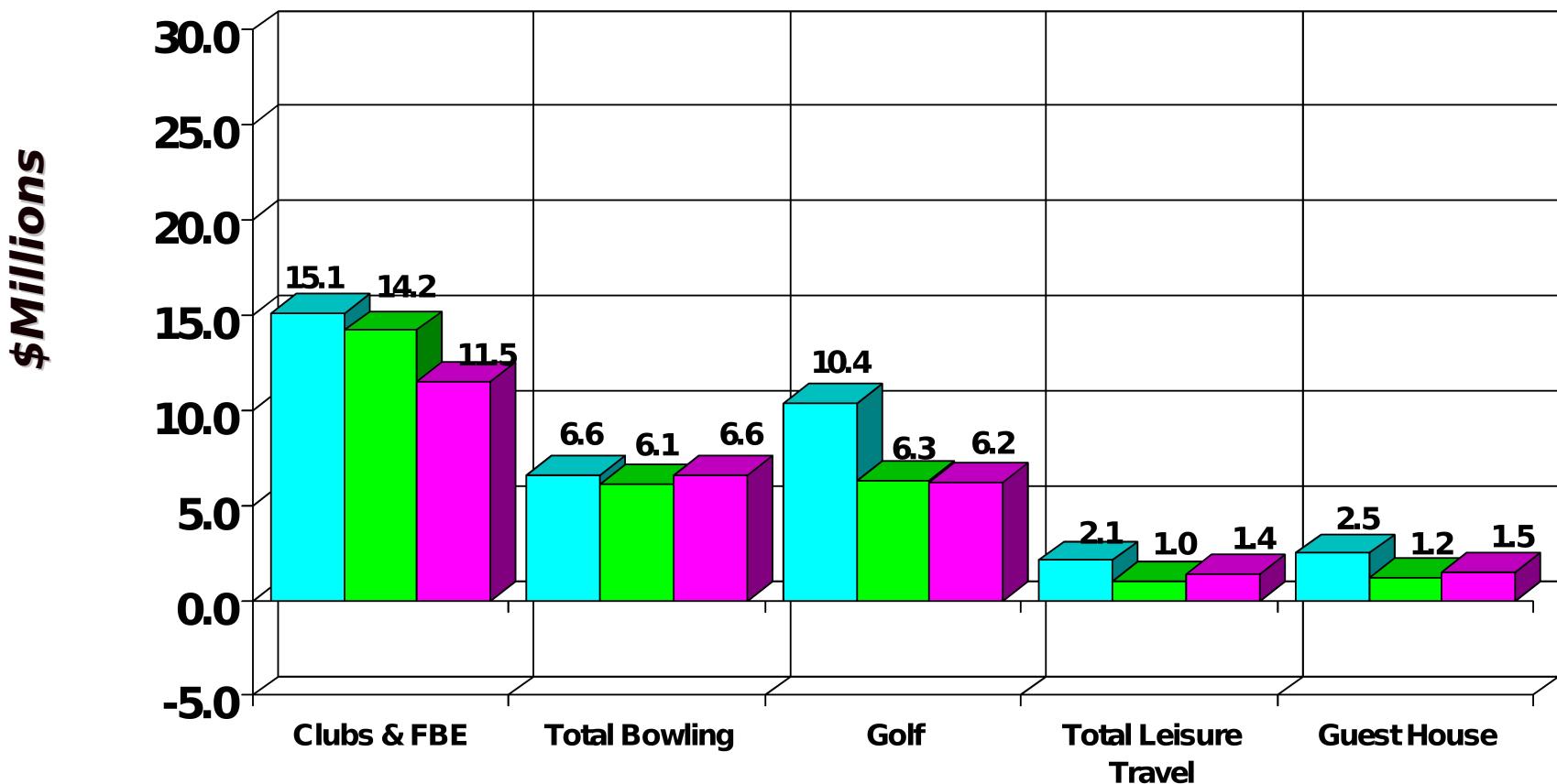


Financial Management Overview



Total MWR NAFIs NIBD by Major Program (Chart 3)

■ FY 06 Actual ■ 3rd Qtr FY 07 Budget ■ 3rd Qtr FY 07 Actual





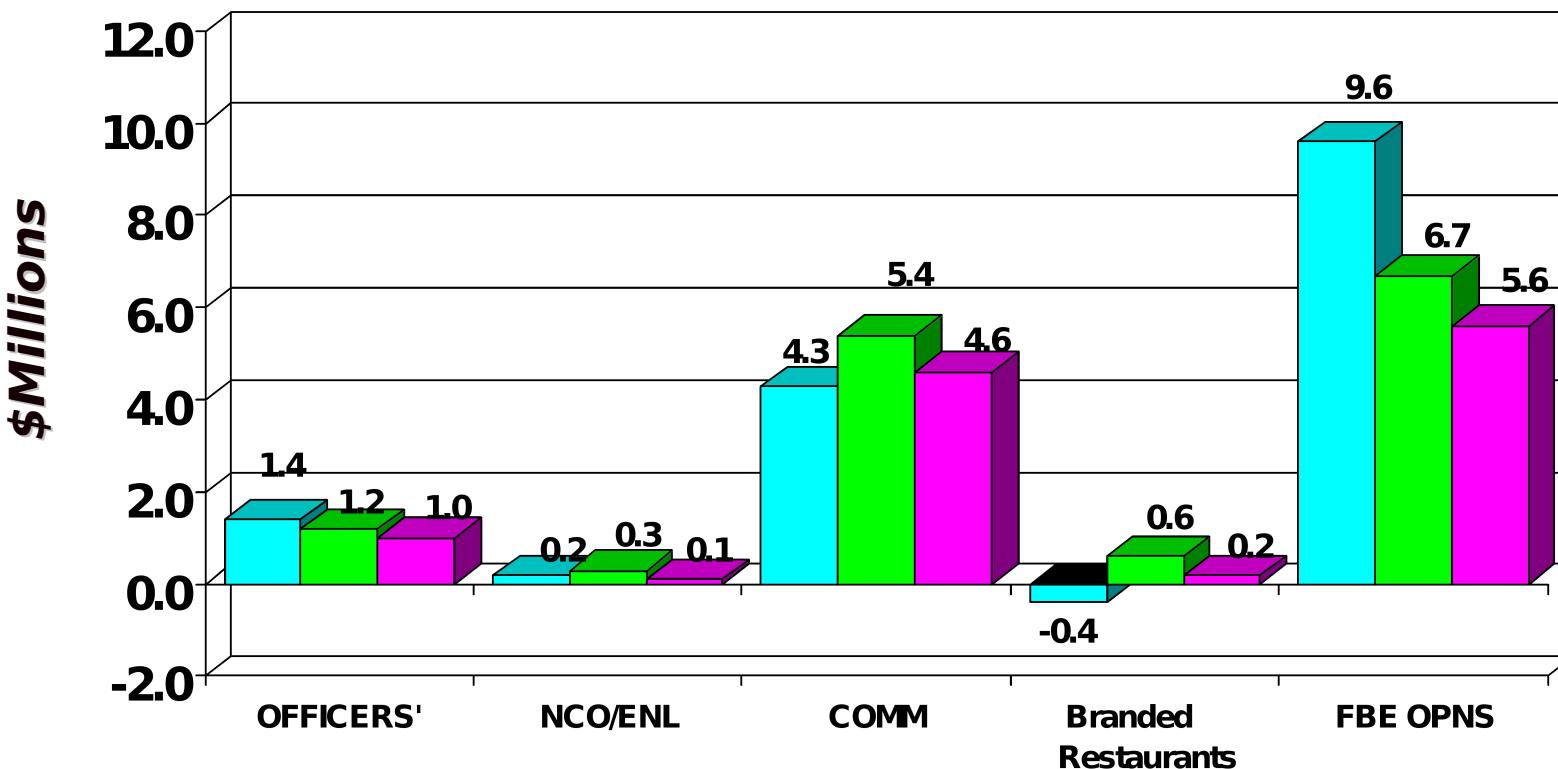
Financial Management Overview



Total MWR NAFIs NIBD for Clubs, Branded Restaurants and FBE

FY06 Actual / 3rd Qtr FY07 Budget vs Actual

■ FY 06 Actual ■ 3rd Qtr FY 07 Budget ■ 3rd Qtr FY 07 Actual

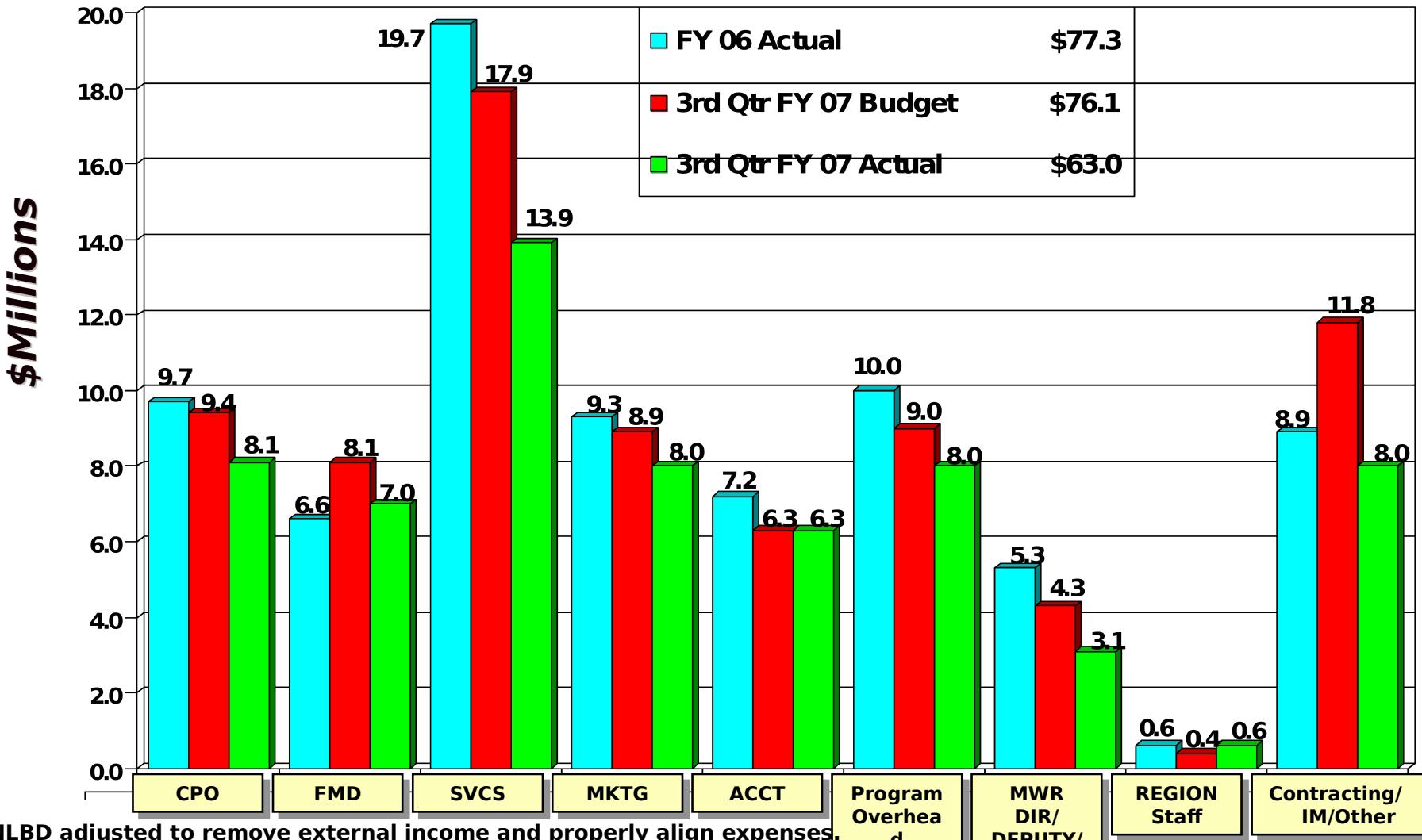


Note: Clubs, Branded Restaurants and FBE reported separately.



Overhead Costs

FY06 Actual* / 3rd Qtr FY07 Budget vs Actual*



*NLBD adjusted to remove external income and properly align expenses.



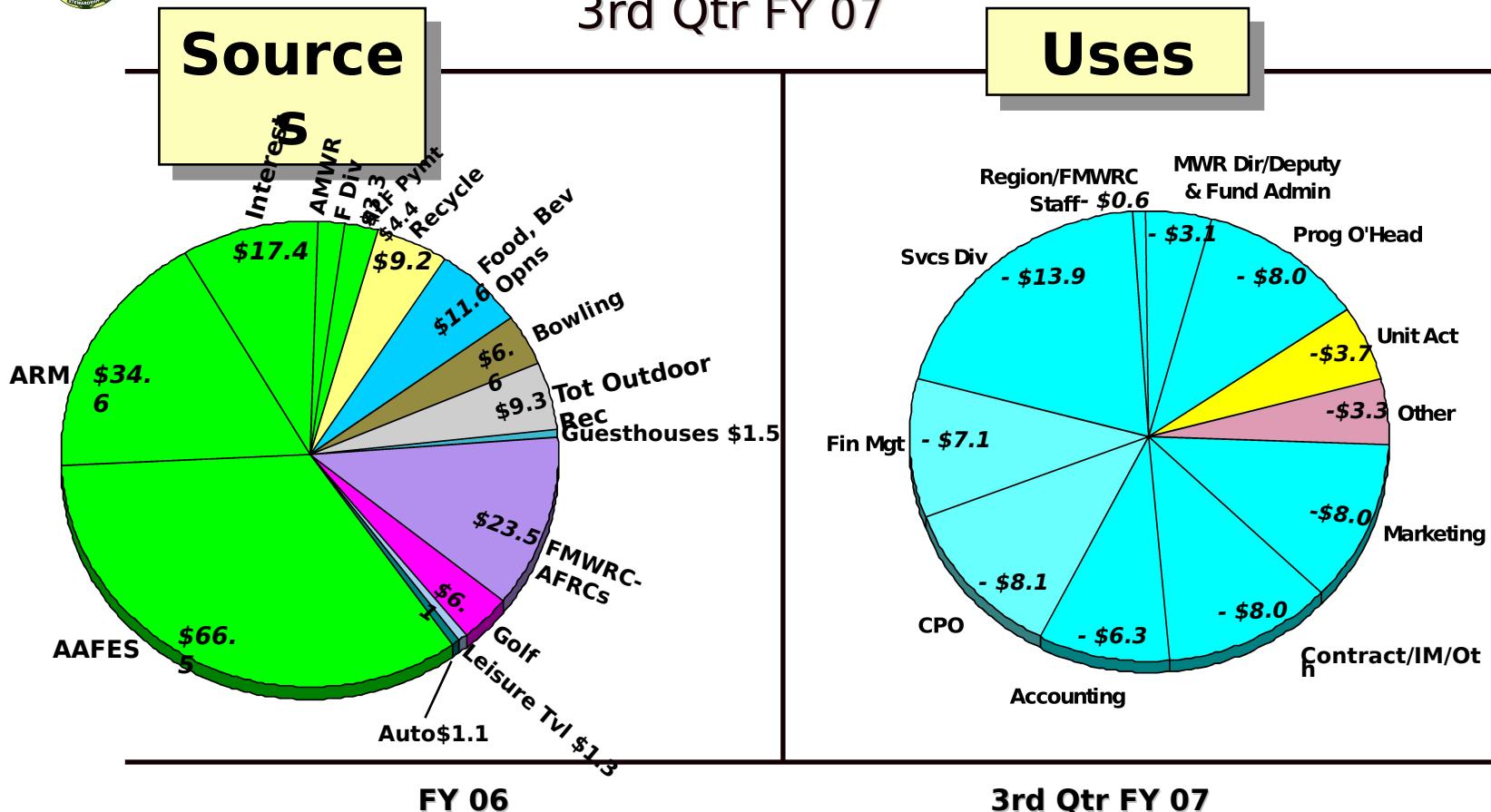
Financial Management Overview



Garrison/Region MWR Operating Results

Net Income Before Depreciation

3rd Qtr FY 07



Notes: Data presented was adjusted to remove external income from operating programs and to align overhead expenses.



Financial Management Overview



MWR Program Functional NAF Operating Results

\$ MILLIONS	FY 04	FY 05	FY 06	3rd Qtr FY 07
Income Generators				
Category C Programs	\$53.1	\$59.4	\$74.4	\$67.1
External Revenue	\$124.7	\$139.3	\$142.7	\$126.3
SUBTOTAL	\$177.8	\$198.7	\$217.1	\$193.4
Income Users				
Category A Programs w/Div	-\$4.7	-\$5.3	-\$5.5	-\$6.0
Category B Programs	\$10.1	-\$1.3	\$2.9	\$1.9
Overhead Expense	-\$80.1	-\$82.9	-\$77.3	-\$63.0
Capital Reinvestment Asmt	-\$3.7	-\$4.7	\$0.0	\$0.0
SUBTOTAL	-\$78.4	-\$94.2	-\$79.9	-\$67.1
NIBD *	\$99.4	\$104.5	\$137.2	\$126.3
% of NET REVENUE	13.0%	12.7%	16.3%	19.1%

*NIBD includes interprogram adjustments

Notes: FY04 - 07 Percentage based on UFM/USA for MWR - Adjusted Revenue.



Financial Management Overview



Total MWRNAFIs

YTD Jun FY07 NIBD and Local CPMC/NAFMC Execution (\$000)

REGION	NIBD BUDGET	NIBD ACTUAL	CAPITAL EXPENDITURE EXECUTION *	CAPITAL EXPENDITURE BUDGET *
NORTHWEST	\$3,752	\$7,078	\$4,045	\$7,237
SOUTHWEST	\$7,007	\$12,738	\$8,433	\$7,075
NORTHEAST	\$8,438	\$12,126	\$5,234	\$8,463
SOUTHEAST	\$25,351	\$31,448	\$11,512	\$24,678
PACIFIC	(\$908)	\$6,145	\$2,190	\$3,618
EUROPE	(\$5,470)	\$6,301	\$4,443	\$5,006
KOREA	\$15,872	\$17,628	\$29,871	\$34,256
FMMRC-AFRCs	\$26,702	\$31,426	\$3,107	\$5,160
DLA	\$257	\$400	\$242	\$505
Pent Ath Ctr	(\$2)	\$287	\$24	\$191
 SUBTOTAL	 \$80,999	 \$125,576	 \$69,101	 \$96,189
 OTHERS **	 \$0	 \$757	 \$0	 \$0
 TOTAL	 <u>\$80,999</u>	 <u>\$126,334</u>	 <u>\$69,101</u>	 <u>\$96,189</u>

* Capital Expenditures include local payments for CPMC, Minor Construction and Self-Funded NAF Major Construction

** Includes IMA HQ, USARSO and MTMC Funds



Financial Management Overview



MWR Standards Assessment (\$Millions)					Assessment	NIBD \$	NIBD% Example	Budget Variance
MWR Function	Standard	Budgeted NIAD \$/%	Actual NIAD \$/%	Budget Var	Assessment	Remarks		
Field NAFI's Roll-up	Monitor NIAD	\$6.428 1.0%	\$27.218 4.12%	323.4%	N/A	Net Income After Depreciation (NIAD) and before BRAC and Extraordinary items		
Field NAFI's Roll-up (MWR USA Revenue removed from Tot Rev for calculation of NIBD %)	NIBD \$/%	Budget Var	NIBD \$/%	NIBD \$/%	Budget Var	G	R	I
CAT A NAF (Excludes Unit Activities)	≥ \$0	± 10/15%	(\$5.060)	(\$2.309)	54.4%	R	R	I
CAT B NAF (Excludes CDS Assessed Below)	≥ \$0	± 10/15%	(\$3.761)	\$1.444	Deficit to Profit	G	R	I
Child Development Services (CDS)	≥ \$0	± 10/15%	(\$4.254)	\$1.620	Deficit to Profit	G	R	I
Clubs, Theme, and FBE	≥ 8/4%	± 10/15%	\$14.150 12.2%	\$11.537 10.21%	-18.5%	G	R	I
Golf	≥ 21/10.5%	± 10/15%	\$6.282 12.2%	\$6.153 12.29%	-2.1%	A	Y	G
Bowling > 12 Lanes	≥ 16/8%	± 10/15%	\$5.508 18.1%	\$6.103 19.24%	10.8%	G	Y	A
Execution/End of Period								
APF Execution (Cumulative)	3 RD OTR ≥ 65/60% FY ≥ 90/80%			83.1%	G			
CPMC + Local NAFMC Execution	NTE NIBD +/- Transfer Limitation and Solvency ≥ 1:1	Actual vs Budget ≥ 70/50%		71.8%	G		Budget \$ 96.189 M NIBD Limit \$ 126.334 M Executed \$ 69.101 M	
Solvency (Cash/Debt)	≥ 1:1 & ≤ 2:1			172 :1	G			